



**GENERAL ASSEMBLY OF THE STATE OF TENNESSEE
FISCAL REVIEW COMMITTEE**

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M E M O R A N D U M

TO: The Honorable Dave Goetz, Commissioner
Department of Finance and Administration

FROM: Bill Ketron, Chairman, Fiscal Review Committee *BK*
Charles Curtiss, Vice-Chairman, Fiscal Review Committee *CC*

DATE: June 2, 2010

SUBJECT: **Contract Comments**
(Fiscal Review Committee Meeting 6/2/10)

RFS# 318.66-05308

Department: Finance & Administration/Bureau of TennCare

Contractor: SXC Health Solutions, Inc.

Summary: The vendor is responsible for the provision of pharmacy management and preferred drug list services. The proposed amendment includes \$0.19/transaction reimbursement for any transaction charges for e-prescriptions; adds disclosure of ownership language; and clarifies liquidate damages.

Maximum liability: \$34,500,000

Maximum liability w/amendment: \$34,500,000

After review, the Fiscal Review Committee voted to recommend approval of the contract amendment with the stipulation that the proposed \$0.19/transaction reimbursement for e-prescriptions be deleted from the amendment at this time and that the transaction reimbursement language be deferred for consideration at the Committee's next meeting.

cc: The Honorable Darin Gordon, Deputy Commissioner
Mr. Robert Barlow, Director, Office of Contracts Review